

# Program Memorandum Intermediaries

Department of Health and  
Human Services (DHHS)  
HEALTH CARE FINANCING  
ADMINISTRATION (HCFA)

Transmittal A-01-35

Date: MARCH 16, 2001

## CHANGE REQUEST 1606

**SUBJECT: Medicare + Choice Inpatient Encounter Data--Migration of Data Processing to the HCFA Data Center (HDC)**

This Program Memorandum (PM) informs the six encounter fiscal intermediaries (FIs) (First Coast, AdminaStar, Summit DataNet, Veritus, Palmetto, and Trailblazers) that the processing of inpatient encounter claims by the HDC will begin on April 9, 2001.

Medicare+Choice Organizations (M+COs) have been directed to stop sending encounter data to their current FI on March 16, 2001, and begin sending encounters to Palmetto—acting as the front-end processor for the Medicare Data Communications Network (MDCN)—beginning March 19, 2001.

During the period of March 16, 2001 through April 2, 2001, encounter FIs will continue to send reports to M+COs. To the greatest extent possible, encounter FIs are to work suspended or pending claims to finalized status through March 23, 2001. For the period March 31, 2001 through April 2, 2001, encounter FIs shall extract all necessary files (e.g., beneficiary, provider, etc.) for inpatient encounters submitted through March 23, 2001. That is, processing of data through to the Common Working File (CWF) will stop on March 23, 2001, but end of month reports shall be included in the extract files. All extracted inpatient encounters should be shipped no later than April 3, 2001 for receipt by the HCFA Data Center on April 4, 2001. File extract programs and instructions will be provided for encounter FIs in early March.

Encounter FIs must ensure that no encounters are processed through their front-end systems after March 16, 2001. All encounters submitted after March 16, 2001 should be returned to M+COs to be submitted to Palmetto's encounter data front-end system.

Encounter FIs shall continue to provide inquiry support to M+COs until May 1, 2001.

The current contract for encounter FIs will be extended until May 1, 2001.

**The *effective date* of this PM is March 16, 2001.**

**The *implementation date* of this PM is March 16, 2001.**

**These instructions should be implemented within your current budget.**

**This PM may be discarded after March 16, 2002.**

**The contact person for this PM is Bobbie Knickman. Her telephone number is (410)786-4161.**